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Measures taken to ensure the effective implementation of the arrangements in place for the sharing of costs for safety and security across the United Nations system

Report of the Secretary-General

Summary

The present report has been prepared in compliance with paragraph 13 of General Assembly resolution 61/263, in which the Assembly invited the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination, to ensure a common interpretation and implementation of all policies related to safety and security, to encourage the development of practical methods to ensure the effective implementation of the arrangements in place for the sharing of costs for safety and security across the United Nations system and to continue discussions with the Executives Board to achieve greater transparency in the different sources of security-related costs.

The present report summarizes the steps undertaken by the High-level Committee on Management of the Executive Board in compliance with the request of the General Assembly and outlines the revised cost-sharing arrangements and governance mechanisms agreed upon by the organizations participating in the United Nations security management system.



I. Introduction

1. In its resolution 61/263, entitled "Strengthened and unified security management system", the General Assembly, having considered and taken note, *inter alia*, of the report of the Secretary-General on measures taken to improve the operational administration of existing cost-sharing arrangements for safety and security (A/61/223):

(a) Underlined the principle that funding for safety and security, based on cost-sharing arrangements, should be clear, predictable and secure;

(b) Recalled paragraphs 50 and 52 of section XI of its resolution 59/276, in which it called upon all entities participating in the cost-sharing arrangements to provide prompt and secure funding for such arrangements, and for those in arrears to ensure prompt payment of outstanding sums;

(c) Noted the process of consultations being undertaken between the Department of Safety and Security and the specialized agencies, funds and programmes, including on the strategic directions and operational requirements of security arrangements for the field to encourage ownership of the process and enhance their participation.

2. In the same resolution the General Assembly also invited the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination (CEB), with the aim of achieving a workable cost-sharing arrangement, to ensure a common interpretation and implementation of all policies related to safety and security, to encourage the development of practical methods to ensure the effective implementation of the arrangements in place for the sharing of costs for safety and security across the United Nations system and to continue discussions with CEB to achieve greater transparency in the different sources of security-related costs.

3. The present report has been prepared in order to update the General Assembly on the steps taken to implement the above-mentioned recommendations.

4. In its resolution 61/263, the General Assembly also invited the Secretary-General to report on expenditures related to safety and security as compared to the total expenditures of specialized agencies, funds and programmes.

5. The CEB High-level Committee on Management is to undertake an exercise to collect such information based on audited financial statements for the biennium 2006-2007, as soon as such financial statements become available. This exercise will allow reliable and definitive extrapolation of relevant and comparable financial information, rather than relying on estimates, taking into consideration the constraints imposed by the non-uniform reporting and accounting structure that currently exists among the organizations of the United Nations system (A/60/317 and Corr.1, para. 19).

II. History and modalities of cost-sharing arrangements under the security management system

6. The principles and modalities governing the cost-sharing for the costs associated with the security management system, as contained in a previous report of the Secretary-General on interorganizational security measures (A/56/469 and Corr.1 and 3, paras. 32 and 33), state that:

(a) The organizations participating in the United Nations security management system would assume collective responsibility for safety and security of the United Nations personnel, irrespective of the level of that participation;

(b) The organizations would recognize the specific responsibility of the United Nations for the management of the security of United Nations system personnel, given the central role of the Secretary-General in the United Nations system as the Chairman of CEB (formerly the Administrative Committee on Coordination) and his overall leadership over the security and safety of the United Nations personnel;

(c) Field-related costs which are incurred in the field or are directly related to providing operational support by Headquarters to the field offices would be apportioned among participating organizations, while the central costs of the management and direction of the operation (executive direction and management, policy and contingency planning, investigation, oversight of security operations and administrative support) would be assumed by the United Nations.

7. On the basis of these principles, following extensive consultations among the organizations of the United Nations system, the High-level Committee on Management, at its ninth session in April 2005, agreed that field-related security costs would be apportioned on the basis of the actual percentage of staff, based on data as per the CEB secretariat census (i.e. all personnel based in countries not members of the Organization for Economic Cooperation and Development (OECD) for whom the United Nations system has a responsibility in terms of security and safety, irrespective of their type of contract and/or duration of contract), with a minimum amount of \$75,000.

8. The High-level Committee on Management agreed that all discussions concerning the substantive aspects of field-related security, including details of jointly financed posts, should be taken up in the context of the Inter-Agency Security Management Network. Consultations would proceed with the Security Management Network on the strategic direction and operational requirements of security arrangements for the field in the context of budget preparation, thereby assuring that budget proposals on security-related issues have the endorsement of stakeholders.

9. The High-level Committee also agreed that, regarding the reporting requirements, the Department of Safety and Security would provide periodic reports on the structure and distribution of jointly financed posts, with corresponding functions and the status of their incumbency, and update such information on a regular basis.

III. Actions undertaken by the High-level Committee on Management

10. During its thirteenth session, in March 2007, the High-level Committee on Management considered a report by its Technical Working Group on cost-sharing arrangements for the United Nations security management system (CEB/2007/HLCM/5), which was established by the Committee to review the current cost-sharing formula pertaining to the system.

11. Reiterating the fundamental principle that cost-sharing needs to be equitable, simple, timely, accurate and transparent, the Working Group focused on a comprehensive discussion of the pros and cons of the current cost-sharing methodology with a view to seeing how it could be improved.

12. Prior experience of decentralized, local cost-sharing had proven to be complex to apply, difficult to manage (for a number of reasons, including different funding cycles, different country budgets, delay in back-charging) and lacking in uniformity and sustainability.

13. On the other hand, the current cost-sharing system, although not perfect, had global coverage and scope, a harmonized approach and confirmed methodology, including a simple and timely method of implementation.

14. Less burdensome alternatives to a headcount census would include other indicators, such as expenditures on development and emergency activities at the implementation level for a given period. The High-level Committee on Management itself uses two criteria for other cost-shared activities: number of staff (based on CEB personnel statistics); and total expenditure (based on audited financial statements).

15. The Working Group concluded that the headcount of field staff (in non-OECD countries) provided a more direct basis for apportioning field costs than other alternatives.

16. The Technical Working Group therefore agreed that:

(a) Security is a necessary cost that needs to be funded, not subjected to recurrent discussions that minimize its essential aspects and, in effect, impact negatively on the safety and security of staff. Prudent risk management dictates that care must be taken that the shift to results-based management in agency budget cycles does not transform security funding solely into a resource-driven financial process;

(b) The principle of fairness takes precedence over the preferences of a number of organizations that are content with paying less;

(c) The census should be replaced by headcounts provided by the headquarters of the respective agencies, based on the most accurate information available as at end of the calendar year preceding the budget submittal for the following biennium, for example statistics as at the end of 2006 would form the basis for cost-sharing during the biennium 2008-2009. Agencies confirmed the feasibility of their respective headquarters providing an accurate field headcount as at 31 December each year;

(d) Staff counts should be inclusive of all those personnel covered by the United Nations security management system, including the Department of Peacekeeping Operations and United Nations Headquarters staff in non-OECD countries;

(e) Data should be gathered centrally and objectively by the CEB secretariat. Organizations would remain accountable for the figures provided. The CEB secretariat would pursue counts for non-United Nations entities that are participants in the United Nations security management system;

(f) Cost-sharing should be based on the re-costed total budget, when known;

(g) Agencies are not prepared and cannot absorb any additional costs, including a shortfall in payments by any organization participating in the United Nations security management system.

17. Considering the conclusions and recommendations of the Technical Working Group during its fourteenth session in September 2007, the High-level Committee on Management stressed the critical importance of addressing any issues with respect to the United Nations security management system within the system itself, ensuring the preservation of a cohesive, coordinated approach to providing staff of the United Nations system with security and safety.

18. The decision of the Inter-Agency Security Management Network to determine its meeting times based on the meeting schedule of the High-level Committee on Management, taking into consideration the meeting schedules of organizations concerned, was noted with appreciation by the Committee.

IV. Conclusions and recommendations

19. After intensive discussion, during its fourteenth session the High-level Committee on Management decided to endorse the recommendations of its Technical Working Group, as outlined in its report (CEB/2007/HLCM/5), that is, that the costs of the United Nations security management system be apportioned on the basis of the actual percentage of the personnel of the organizations of the United Nations system based in countries that are not members of OECD; that the headcount would be carried out centrally by the CEB secretariat, with the organizations remaining accountable for the figures provided, based on the most accurate information available as at the end of the calendar year preceding the submission of the budget for the following biennium; that the minimum level of participation (floor) of \$75,000 would be increased by the same percentage as the re-costing that had occurred since the last biennium; and that implementation of the agreed changes be applied in a uniform manner to all participants in the United Nations security management system.

20. As subsequently indicated in the explanatory notes for the CEB secretariat headcount of field staff as at 31 December 2006, such a headcount is in respect of all those individuals for whom the United Nations system has a security responsibility, irrespective of their type of contract and/or duration of contract, in all countries not members of OECD, even if United Nations headquarters are located there (for example, Nairobi).

21. The Committee appreciated the effort by the Department of Safety and Security to increase accountability with regard to its activities by providing detailed and timely information on status of expenditures, programme performance of its operations and vacancy status of its posts and encouraged the Department to continue to do so in order to enhance the overall transparency and stakeholders' participation in the management of the United Nations security management system.

22. With a view to facilitating the resolution of issues that have or may emerge with respect to the management and funding of the security management system, the High-level Committee on Management appointed a small advisory group of three member organizations which would provide support to the Department of Safety and Security upon the request of the Committee. The group membership was determined as follows:

(a) The World Food Programme, representing United Nations funds and programmes;

(b) The United Nations Industrial Development Organization, representing small organizations;

(c) The World Health Organization, representing the specialized agencies.

23. The Senior Security Manager of the United Nations Development Programme would serve as secretary of the advisory group.

24. The General Assembly may wish to take note of the present report.

Annex

Shares of organizations in the cost of the United Nations security management system: 2008-2009^a

<i>Organization</i>	<i>Headcount as at 31 December 2006^b</i>	<i>Percentage of staff</i>	<i>Distribution of total costs (2008- 2009), based on percentage of staff and minimum contribution (75,000 US dollars)</i>	<i>Effective percentage share of costs</i>
Asian Development Bank ^c	89	0.09	143 674	0.09
European Bank for Reconstruction and Development ^c	65	0.07	104 930	0.07
Comprehensive Nuclear-Test-Ban Treaty	—	0.00	75 000	0.05
Food and Agriculture Organization of the United Nations	2 461	2.50	3 972 818	2.49
International Atomic Energy Agency	167	0.17	269 590	0.17
International Civil Aviation Organization	238	0.24	384 206	0.24
International Criminal Court	53	0.05	85 558	0.05
International Fund for Agricultural Development	30	0.03	75 000	0.05
International Labour Organization	1 486	1.51	2 398 865	1.50
International Monetary Fund	406	0.41	655 410	0.41
International Maritime Organization	29	0.03	75 000	0.05
International Organization for Migration	5 167	5.25	8 341 141	5.23
International Trade Centre	20	0.02	75 000	0.05
International Telecommunication Union	52	0.05	83 944	0.05
Organization for the Prohibition of Chemical Weapons	—	0.00	75 000	0.05
Pan American Health Organization	793	0.81	1 280 148	0.80
United Nations ^d	23 499	23.87	37 934 677	23.79
Joint United Nations Programme on HIV/AIDS	216	0.22	348 691	0.22
United Nations Development Programme	19 987	20.31	32 265 219	20.23
United Nations Educational, Scientific and Cultural Organization	1 758	1.79	2 837 957	1.78
United Nations Population Fund	2 594	2.64	4 187 521	2.63
United Nations High Commissioner for Refugees	5 452	5.54	8 801 220	5.52
International Computing Centre	—	0.00	75 000	0.05

Organization	Headcount as at 31 December 2006 ^b	Percentage of staff	Distribution of total costs (2008- 2009), based on percentage of staff and minimum contribution (75,000 US dollars)	Effective percentage share of costs
United Nations Children's Fund	9 834	9.99	15 875 127	9.95
United Nations Industrial Development Organization	308	0.52	820 070	0.51
United Nations Office for Project Services	2 041	2.07	3 294 807	2.07
United Nations University	58	0.06	93 630	0.06
United Nations Volunteers	166	0.17	267 976	0.17
Universal Postal Union	7	0.01	75 000	0.05
World Tourism Organization	—	0.00	75 000	0.05
World Food Programme	9 900	10.06	15 981 672	10.02
World Health Organization	6 573	6.68	10 610 861	6.65
World Intellectual Property Organization	1	0.00	75 000	0.05
World Meteorological Organization	23	0.02	75 000	0.05
World Bank	4 758	4.83	7 680 888	4.82
Total	98 431	100.00	159 470 600	100.00

^a The 2008-2009 cost-shared budget is calculated using the total budget for jointly financed activities, as listed in resolution 62/238 (\$200,126,100 after recosting), less the portion covering the United Nations Office at Vienna (\$27,708,400), which is only shared between the organizations at the United Nations Office at Vienna, less the costs of the malicious acts insurance policy (\$12,947,100).

^b Number of staff as per CEB secretariat headcount of field staff as at 31 December 2006 (CEB/2007/HLCM/30).

^c Local staff are excluded from the current memorandums of understanding between the Asian Development Bank, the European Bank for Reconstruction and Development and the Department of Safety and Security. The reported figure therefore refers only to international staff in the field (for the European Bank for Reconstruction and Development) and to international staff outside the headquarters of the Asian Development Bank in Manila under the coverage of the United Nations security management system. At its 14th session, the High-level Committee on Management decided that with respect to the security management system, no individual, separate arrangements should be maintained and the shares of the Asian Development Bank and of the European Bank for Reconstruction and Development should be calculated based on the formula and criteria used for the other participants in the security management system (see CEB/2007/6, para. 140).

^d The United Nations figure includes field staff of the Department for Disarmament Affairs, the Department of Economic and Social Affairs, the Department of Political Affairs, the Department of Public Information, the Economic Commission for Africa, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Asia and the Pacific, the Economic and Social Commission for Western Asia, field missions administered by the Department of Peacekeeping Operations, the Office for the Coordination of Humanitarian Affairs, the Office of the United Nations High Commissioner for Human Rights, the Office of Internal Oversight Services, the United Nations Conference on Trade and Development, the United Nations Environment Programme, the United Nations Human Settlements Programme, the United Nations Office on Drugs and Crime, the United Nations Office at Nairobi, the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the International Criminal Tribunal for Rwanda. It also includes 687 consultants/individual contractors. The International Tribunal for the Former Yugoslavia has no field staff.